BOC affiliate." [para. 21] As described above, in either case, the BOC can find ways to favor its affiliate.

VIII. CONCLUSION

34. While not completely effective in preventing or deterring the BOCs from acting on incentives to act anticompetitively, the separate subsidiary safeguard applied to the provision of interLATA facilities will reduce the potential for competitive harm in the interLATA market. The current interLATA market is functioning efficiently and providing substantial benefits to consumers. There is no reason to place this performance at risk by abandoning an important consumer and competitive safeguard. The BOCs should therefore not be permitted to provide in-region interLATA services or facilities to their affiliates.

I declare under the penalty of perjury that the foregoing is true and correct.

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4. Daniel Kelley April 24, 1997

A. Daniel Kelley

PROFESSIONAL EXPERIENCE:

Senior Vice President, Hatfield Associates, Boulder Colorado.

Conducting economic and applied policy analysis of domestic and international telecommunications public policy and business issues. Recent projects have included estimating costs of providing unbundled network elements and universal service and assessing the prospects for local telecommunications competition.

Director of Regulatory Policy, MCI Communications Corporation, 1984-1990.

Responsible for developing and implementing MCI's public policy positions on issues such as dominant carrier regulation, Open Network Architecture, accounting separations and Bell Operating Company line of business restrictions. Also managed an interdisciplinary group of economists, engineers and lawyers engaged in analyzing AT&T and local telephone company tariffs.

Senior Economist and Project Manager, ICF Incorporated, 1982-1984.

Telecommunications and antitrust projects included: forecasting long distance telephone rates; analysis of the competitive effects of AT&T's long distance rate structures; a study of optimal firm size for cellular radio markets; analysis of the FCC's Financial Interest and Syndication Rules, and competitive analysis of mergers and acquisitions in a variety of industries.

Senior Economist, Federal Communications Commission, 1979-1982.

Served as Special Assistant to the Chairman during 1980-1981. Advised the Chairman on proposed regulatory changes in the broadcasting, cable television and telephone industries; analyzed legislation and drafted Congressional testimony. Coordinated Bureau and Office efforts on major common carrier matters such as the Second Computer Inquiry and the Competitive Carrier Rulemaking. Also held Senior Economist positions in the Office of Plans and Policy and the Common Carrier Bureau.

Staff Economist, U.S. Department of Justice, 1972-1979.

Analyzed proposals for restructuring the Bell System as a member of the economic staff of U.S. v. AT&T; investigated the competitive effects of mergers and business practices in a wide variety of industries.

EDUCATION:

1976	Ph.D. in Economics	University of Oregon
1971	M.A. in Economics	University of Oregon
1969	B.A. in Economics	University of Colorado

PUBLICATIONS AND COMPLETED RESEARCH:

- "Local Telecommunications Cost Modeling: Theory and Practice," Telecommunications Policy Research Conference, Solomons, Md., (1996).
- "A General Approach to Local Exchange Carrier Pricing and Interconnection Issues," Telecommunications Policy Research Conference, Solomons, Md., (1992).
- "Gigabit Networks: Is Access a Problem?" IEEE Gigabit Networking Workshop (1992).
- "Advances in Network Technology" in Barry Cole, ed., After the Break-Up: Assessing the New Post-AT&T Divestiture Era (1991).
- "Alternatives to Rate of Return Regulation: Deregulation or Reform?" in <u>Alternatives to Rate Base Regulation in the Telecommunications Industry</u>, NARUC (1988).
- "AT&T Optional Calling Plans: Promotional or Predatory" in Harry M. Trebing, ed., <u>Impact of Deregulation and Market Forces on Public Utilities: The Future Role of Regulation</u> (1985).
- "The Economics of Copyright Controversies in Communications" in Vincent Mosco, ed., <u>Policy Research in Telecommunications</u> (1984).
- "Deregulation After Divestiture: The Effect of the AT&T Settlement on Competition," FCC, OPP Working Paper No. 8 (1982).
- "The Transition to Structural Telecommunications Regulation," in Harry M. Trebing, ed., New Challenges for the 1980's (1982), with Charles D. Ferris.
- "Social Objectives and Competition in Common Carrier Communications: Incompatible or Inseparable?" in Harry M. Trebing ed., Communications and Energy in Transition (1981), with Nina W. Cornell and Peter R. Greenhalgh.
- "An Empirical Survey of Price Fixing Conspiracies," <u>Journal of Law and Economics</u> (1974), with George A. Hay. Reprinted in Siegfried and Calvari, ed., <u>Economic Analysis and Antitrust Law</u> (1978) and the <u>Journal of Reprints for Antitrust Law and Economics</u> (1980).

TESTIMONY:

Federal Communications Commission, Application of Cellular Communications of Cincinnati, July 25, 1983 (with Robert J. Reynolds): Optimum firm size in the cellular radio market

Maryland Public Service Commission, Case No. 0450-Phase II, May 31, 1983: Access charge implementation issues

New York Public Service Commission, Case No. 28425, June 1983: Access charge implementation issues

Florida Public Service Commission, Docket No. 820537-TP, June 30, 1983, November 4, 1983, April 9, 1984, June 4, 1984, September 7, 1984, October 25, 1984 and August 15, 1985: Access charge implementation issues

Pennsylvania Public Utility Commission, Docket No. R-832, August 5, 1983: Pennsylvania Bell Rate Case

New Jersey Board of Public Utilities, Docket No. 83-11, February 20, 1984: Access charge implementation issues

New York Public Service Commission, Case 88-C-102, March 2, 1990: Alternative Operator Service Issues

California Public Service Commission, A.90-07-015, July 10, 1990: AT&T Deregulation

New York Public Service Commission, Case 28425, October 8, 1990: IntraLATA Dial 1 Competition

Massachusetts Department of Public Utilities, DPU 90-133, October 17, 1990: AT&T Deregulation

Georgia Public Service Commission, 3905-U, November 16, 1990: Incentive Regulation

California Public Service Commission, I-87-11-033, September 23, 1991: IntraLATA Competition

Georgia Public Service Commission, Docket No. 3987-U, January 31, 1992: Cross-Subsidy

Colorado Public Utilities Commission, Docket No. 92R-050T, August 24, 1992: Collocation

Connecticut Department of Public Utility Control, Docket No. 9106-10-06, September 25, 1992: Infrastructure

Maryland Public Service Commission, Case No. 8584, Phase II, July 21, 1995: Local Competition

Connecticut Department of Public Utility Control, Docket No. 95-06-17, September 8, 1995: Local Competition

Federal-State Joint Board on Universal Service, CC Docket No. 96-45, June 5, 1996: Cost of Universal Service

Colorado Public Utilities Commission, Docket No. 96A-287T, September 6, 1996: Arbitration

Michigan Public Service Commission, October 26, 1966: MCI Arbitration

CERTIFICATE OF SERVICE

I, Sylvia Chukwuocha, do hereby certify that a true copy of the foregoing "REPLY COMMENTS OF MCI TELECOMMUNICATIONS CORPORATION CONCERNING EXPEDITED RECONSIDERATION OF SECTION 272(e)(4)" was served this 24th day of April, 1997, by hand-delivery or first-class mail, postage prepaid, upon each of the following persons:

Gary L. Philips
Ameritech
1401 H Street, N,W.
Suite 1020
Washington, DC 20005

David W. Carpenter
Peter D. Keisler
AT&T Corp.
One First National Plaza
Chicago, IL 60603

Mark C. Rosenblum Leonard J. Cali AT&T Corp. 295 North Maple Avenue Basking Ridge, NJ 07920

Edward Shakin
Edward D. Young III
James R. Young
Michael E. Glover
Lawrence W. Katz
Bell Atlantic Telephone
Companies and Bell Atlantic
Communications, Inc.
1320 North Court House Road
Eighth Floor
Arlington, VA 22201

Walter H. Alford
John F. Beasley
William B. Barfield
Jim O. Llewellyn
Bellsouth Corporation
1155 Peachtreet Street, N.E.
Suite 1800
Atlanta, GA 30309-2641

David G. Frolio
David G. Richards
Bellsouth Corporation
1133 21st Street, N.W.
Washington, DC 20036

Patrick S. Berdge
Public Utilities Commission of
the State of California
505 Van Ness Ave.,
San Francisco, CA 94102

Danny E. Adams Kelley Drye & Warren LLP 1200 19th Street, N.W. Washington, DC 20036

Thomas K. Crowe
Law Offices of Thomas K.
Crowe, P.C.
Excel Telecommunications, Inc.
2300 M Street, N.W.
Suite 800
Washington, DC 20037

Cynthia B. Miller Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

Michael J. Shortley, III Frontier Corporation 180 South Clinton Avenue Rochester, New York 14646

Jonathan Jacob Nadler Squire, Sanders & Dempsey 1201 Pennsylvania Ave., N.W. P.O. Box 407 Washington, DC 20004 Daniel C. Duncan
Information Industry
Association
1625 Massachusetts Ave., N.W.
Suite 700
Washington, DC 20036

Andrew D. Lipman Swidler & Berlin, Chartered 3000 K Street, N.W. Suite 300 Washington, DC 20007

William J. Celio Michigan Public Service Commission 6545 Mercantile Way Lansing, MI 48910

Eric Witte
Missouri Public Serivice
Commission
P.O. Box 360
Jefferson City, MO 65102

Charles D. Gray
James Bradford Ramsay
National Association of
Regulatory Utility
Commissioners
1201 Constitution Ave
Suite 1102
P.O. Box 684
Washington, DC 20044

Blossom A. Peretz
New Jersey Division of the
Ratepayers Advocate
31 Clinton Street, 11th Floor
Newark, NJ 07101

Mary E. Burgess
NYS Department of Public
Service
Three Empire State Plaza
Albany, New York 12223-1350

Donald C. Rowe NYNEX Corporation 111 Westchester Avenue White Plains, NY 10604

Mary W. Marks
Southwestern Bell Telephone
Company
One Bell Center
Room 3536
St. Louis, MO 63101

Norina T. Moy Leon M. Kestenbaum Sprint Corporation 1850 M Street, N.W. Suite 1110 Washington, DC 20036

John L. McGrew Brian Conboy Willkie Farr & Gallagher Three Lafayette Centre 1155 21st Street, N.W. Washington, DC 20036

Alfred M. Mamlet Steptoe & Johnson LLP 1330 Connecticut Ave., N.W. Washington, DC 20036

Teresa Marrero
Teleport Communications Group,
Inc.
One Teleport Drive
Staten Island, NY 10311

Lesla Lehtonen California Cable Television Association 4341 Piedmont Ave P.O. Box 11080 Oakland, CA 94611

Mary McDermott United States Telephone Association 1401 H Street, N.W. Suite 600 Washington, DC 20005 Robert B. McKenna Richard A. Karre US West, Inc. 1020 19th Street, N.W. Washington, DC 20036

Ruth S. Baker-Battist Voice-Tel 5600 Wisconsin Ave., Suite 1007 Chevy Chase, MD 20815

Joel Bernstein
Halprin, Temple, Goodman
and Sugrue
1100 New York Ave., N.W.
Suite 650E
Washington, DC 20005

Janice Myles
Common Carrier Bureau
Federal Communications
Division
Room 544
1919 M Street, N.W.
Washington, DC 20554

International Transcription Service 1919 M Street, N.W. Room 246 Washington, DC 20554

Ann E. Henkener
Office Attorney General of
Ohio
180 East Broad Street
Columbus, OH 43215-3793

Charles C. Hunter
Hunter Communications Law
Group
1620 I Street, N.W.
Suite 701
Washington, DC 20006

Richard S. Whitt
David N. Porter
WorldCom, Inc.
1120 Connecticut Ave., N.W.
Suite 400
Washington, DC 20036

Mark J.O'Connor Mark J. Tauber Piper & Marbury L.L.P. 1200 19th Street, N.W. Seventh Floor Washington, DC 20036

Michael K. Kellogg
Mark L. Evans
Sean A. Lev
Kellogg, Huber, Hansen,
Todd & Evans, P.L.L.C.
1301 K Street, N.W.
Suite 1000 West
Washington, DC 20005

Sylvia Chukuwochz O Sylvia Chukwuocha